

**Testimony of Eric Stalsburg  
Administrator, Forest Hills Guest Home**

Re: H.B. No. 5037 (COMM) AN ACT ADJUSTING THE STATE BUDGET FOR THE BIENNIUM  
ENDING JUNE 30, 2023.

*Concerning*

**Department of Social Services Budget- Residential Care Home Funding**  
Appropriations Subcommittee on Human Services Public Hearing, February 23, 2022

Senator Osten, Representative Walker, Senator Miner, Representative France and Members of the Appropriations Subcommittee on Human Services, **thank you for the opportunity to offer testimony on the Department of Social Services Budget related to Residential Care Home Funding.**

My name is Eric Stalsburg and I am the Administrator at Forest Hills Guest Home located in West Haven, CT. I am here today to raise concerns with the Governor's budget related to residential care homes and express the strong need for a rate increase for residential care homes throughout the state and an increase in wages for our employees.

We are a small, 17-bed RCH that has been operational since 1981. In all of these years, we have never had to experience the adversity we are today. The global pandemic was taxing on everyone, especially small businesses. Our staff worked tirelessly, many times risking their own health and safety to make sure the Residents are well-taken care of. I only wish I could pay them more as they were unrecognized hero's the past 2 years.

On top of that, these RCH's have been in a fiscal freeze for what feels like over a decade. In every other profession, inflation goes up, cost of living goes up, so employee pay should go up. With 7.5% inflation currently, these homes cannot keep up with the demands of healthy meal preparation, employee benefits, maintenance, utility increases, vigorous and time consuming medical management, CPR/First Aid, Food Safety classes, etc.

Forest Hills is so lucky that we have such great staff who have been here so long, when I know very well they can go work elsewhere and make twice the amount of money for half of the pre-requisites. But I'm voicing this concern as it's only a matter of time where we won't be so lucky and these loyal staff will be forced to consider other options without an increase in pay.

Forest Hills has a stellar reputation for our warm and friendly staff, our active and lively residents, and our ability to offer new programs, recreation, and partnerships. We are constantly trying to innovate and stay ahead of the State's mandates, rules, and incoming changes. We aim to serve the residents to the best of our ability with dignity and compassion.

We do everything we can to run a top of the line Residential Care Home, where residents walk in the door and feel like they are at home and in a comfortable, clean,

safe environment. My fear is that if the pay doesn't increase, we will inevitably lose this incredible staff, and the residents are the ones who will ultimately suffer. It seems now more than ever, more owners are trying to SELL their RCH's than there are people trying to buy one. To me, this means there is a problem and CARCH members do not feel safe and secure about their future.

Last year's biennium budget included a transfer of some residential care home spending to Medicaid. This shift was done to save the state money and provide residential care homes with much-needed resources. The plan is for residential care homes to become Medicaid billers starting April 1, 2022.

Despite our Association meeting with the Dept. of Social Services several times to discuss this there has been no operationalized plan for residential care homes to become Medicaid billers. **These funds are critically important to our homes and employees who have been counting on the increased revenue to deal with the impact of the pandemic. We would urge the Appropriations Committee to ensure these dollars go to increasing residential care home rates!**

Unfortunately, paying employees the necessary wages to attract new people to our industry is almost impossible resulting in higher employee turnover. Our industry strives to employ people in long term careers so that they can establish and maintain relationships with our residents. This leads to better long-term health outcomes, stability in the home and savings to our state.

Unlike other providers during the pandemic, we did not see any federal funding to support our work or our employees. The Governor's proposal to enable residential care homes to bill Medicaid acknowledges the need for higher rates.

We provide a critical service for the state and care for some of the most vulnerable people. We do this for a low cost. My home and other residential care homes throughout the state have had to get by with rates failing to keep up with costs and yet we serve as the safety net for many people with mental health diagnoses and substance abuse issues. Unlike other providers, our residents are almost all state funded limiting our ability to cost shift and make up for low rates.

Please support residential care home funding so that we can keep our great employees and pay them fairer wages while they care for some of the most vulnerable in the state.

Eric Stalsburg



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